

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF MICHIGAN
(DETROIT)**

In re:)	
)	
CITY OF DETROIT, MICHIGAN,)	CASE NO.: 13-53846
)	
Debtor.)	CHAPTER 9
)	
)	Hon. Steven W. Rhodes
)	

**RESPONSE OF THE AD HOC COMMITTEE OF DWSD BONDHOLDERS
TO THE DEBTOR'S FIRST REQUEST FOR PRODUCTION OF DOCUMENTS**

The Ad Hoc Committee of DWSD Bondholders (the “**Ad Hoc Committee**”)¹ for those certain bonds (the “**DWSD Bonds**”) and the holders of such (the “**DWSD Bondholders**”) issued by the City of Detroit (the “**Debtor**”) for the Detroit Water and Sewerage Department (the “**DWSD**”) hereby objects and responds to the *Debtor's First Request for Production of Documents to Ad Hoc Committee of DWS Bondholders* (the “**Document Requests**”) as follows:

GENERAL OBJECTIONS

1. The Ad Hoc Committee objects to the Document Requests and related Definitions and Instructions to the extent that they seek to impose obligations that exceed the requirements of the Federal Rules of Civil Procedure, the Federal Rules of Bankruptcy Procedure, or the Local Rules of this Court.

2. The Ad Hoc Committee objects to the Document Requests to the extent that they seek documents subject to the attorney-client privilege or work-product protection and related

¹ The Ad Hoc Committee members are Fidelity Management & Research Company, Eaton Vance Management, Franklin Advisers, Inc., Nuveen Asset Management, and BlackRock Asset Management, Inc.

common interest protection, any other applicable privilege, or information subject to confidentiality obligations imposed on parties participating in mediation in connection with this proceeding (“**Privileged Information**”). Any inadvertent disclosure of Privileged Information shall not waive those privileges, protections, or confidentiality obligations. The Ad Hoc Committee further objects to the Instruction requesting a privilege log as unreasonable and unduly burdensome, since the Document Requests, by their very nature, primarily seek Privileged Information.

3. The Ad Hoc Committee objects to the Document Requests to the extent that they seek to obtain discovery of information and materials relied on by expert witnesses (“**Expert Reliance Materials**”) in advance of the deadline for expert reports established by the Court’s Fourth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to the Debtor’s Plan of Adjustment Scheduling Order (the “**Scheduling Order**”). To the extent that any responsive documents have been relied upon by any expert witness testifying on behalf of the Ad Hoc Committee, such documents will be produced in connection with the expert’s report in accord with the Scheduling Order.

4. The Ad Hoc Committee objects to the Document Requests to the extent that they seek information that is already in the Debtor’s custody or control and/or is readily accessible or publicly available to the Debtor (“**Readily Available Information**”).

5. The Ad Hoc Committee objects to the Document Requests to the extent that they seek documents that are neither relevant nor reasonably calculated to lead to the discovery of admissible evidence.

6. The Ad Hoc Committee objects to the Document Requests to the extent that they seek documents about which the Ad Hoc Committee lacks information or knowledge.

7. The Ad Hoc Committee objects to the Document Requests to the extent that they are vague or ambiguous or seek documents that do not exist.

8. The Ad Hoc Committee objects to the Document Requests to the extent that they are unlimited in time or otherwise overly broad and/or unduly burdensome.

9. The Ad Hoc Committee expressly reserves all objections as to relevance, authenticity, or admissibility of any information or documents referenced herein.

10. The Ad Hoc Committee has responded to the Document Requests as it interprets and understands them, based on information identified to date in the course of preparing these responses. Consequently, the Ad Hoc Committee reserves the right to amend, clarify, and/or supplement these responses if the Debtor subsequently asserts an interpretation of any Document Request that differs from the understanding of the Ad Hoc Committee, or if additional information becomes available or additional documents are discovered.

11. The Ad Hoc Committee has responded to the Document Requests subject to and without waiving the foregoing objections, each of which is expressly incorporated into the responses provided below.

SPECIFIC OBJECTIONS AND RESPONSES TO DEBTOR'S DOCUMENT REQUESTS

1. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the viability of the Detroit Water and Sewer Department ("DWSD") on a stand-alone basis.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily

Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this Document Request, (a) it has not conducted or requested any research, studies, reports, or analysis regarding the viability of the DWSD on a stand-alone basis; and (b) after reasonable search and inquiry, it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

2. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the viability of DWSD assuming that it operates as part of a regional authority.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, (a) it has not conducted or requested any research, studies, reports, or analysis regarding the viability of DWSD assuming that it operates as part of a regional authority; and (b) after reasonable search and inquiry, it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

3. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the ability of DWSD to fund

a lease payment without harming the ability of DWSD to meet existing or anticipated debt service requirements.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, (a) it has not conducted or requested any research, studies, reports, or analysis regarding the ability of DWSD to fund a lease payment without harming the ability of DWSD to meet existing or anticipated debt service requirements; and (b) after reasonable search and inquiry, it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

4. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding other debtors who have entered into privatization contracts.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, (a) it has not conducted or requested any research, studies, reports, or analysis regarding other debtors who have entered into privatization contracts; and (b) after reasonable search and inquiry, it has

been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

5. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the proposed \$47 million lease, including but not limited to any research, studies, reports, or analyses addressing the viability of DWSD under said lease.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, (a) it has not conducted or requested any research, studies, reports, or analysis regarding the proposed \$47 million lease; and (b) after reasonable search and inquiry, it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

6. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding the feasibility of exiting the DWSD system.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily

Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, (a) it has not conducted or requested any research, studies, reports, or analysis regarding the feasibility of exiting the DWSD system; and (b) after reasonable search and inquiry, it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

7. All documents relating to any research, studies, reports, or analysis conducted by, requested, reviewed, or received by you or on your behalf regarding valuation(s) of DWSD.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, (a) it has not conducted or requested any research, studies, reports, or analysis regarding valuation(s) of DWSD; and (b) after reasonable search and inquiry, it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

8. All documents relating to any potential transaction regarding privatization of DWSD or the creation of a regional authority to operate DWSD.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this

request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, (a) it has not conducted or requested any research, studies, reports, or analysis of any potential transaction regarding privatization of DWSD or the creation of a regional authority to operate DWSD; and (b) after reasonable search and inquiry, it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

9. All communications between you and any DWSD bond insurers or financial advisors.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, after reasonable search and inquiry it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

10. All communications between you and UHY, or any other consultants.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this

request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, after reasonable search and inquiry it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

11. All documents referred to, reviewed, consulted, or relied on in responding to the accompanying Interrogatories (served herewith) and not otherwise produced in response to these Requests for Production of Documents.

RESPONSE: The Ad Hoc Committee objects to this request because it is vague, ambiguous, overly broad, and unduly burdensome. The Ad Hoc Committee objects to this request to the extent it seeks Privileged Information, Expert Reliance Materials, or Readily Available Information. Subject to and without waiving the foregoing general and specific objections, the Ad Hoc Committee states that, to the extent it can understand this request, after reasonable search and inquiry it has been unable to locate any documents responsive to this request that do not constitute Privileged Information, Expert Reliance Materials, or Readily Available Information.

THE AD HOC COMMITTEE OF DWSD BONDHOLDERS

By its attorneys,

/s/ Amy Caton

Amy Caton, Esq.
Greg Horowitz, Esq.
KRAMER LEVIN NAFTALIS
& FRANKEL, LLP
1177 Avenue of the Americas
New York, New York 10036
Tel: (212) 715-9100
Fax: (212) 715-8000
acaton@kramerlevin.com

and

STEINBERG SHAPIRO & CLARK

Geoffrey T. Pavlic, Esq.
25925 Telegraph Road
Suite 203
Southfield, MI 48033
Tel: (248) 352-4700
Fax: (248) 352-4488
pavlic@steinbergshapiro.com

*Attorneys for Nuveen Asset Management, and
BlackRock Asset Management, Inc., as
members of the Ad Hoc Committee of DWSD
Bondholders*

/s/ William W. Kannel

William W. Kannel, Esq.
Adrienne K. Walker, Esq.
MINTZ, LEVIN, COHN, FERRIS,
GLOVSKY and POPEO, P.C.
One Financial Center
Boston, MA 02111
Tel: 617-542-6000
Fax: 617-542-2241
wwkannel@mintz.com
awalker@mintz.com

and

ANDREW J. GERDES, P.L.C.

Andrew J. Gerdes, Esq.
321 W. Lake Lansing Rd.
P.O. Box 4190
East Lansing, MI 48826-4190
Tel: (517) 853-1300
Fax: (517) 853-1301
agerdes@gerdesplc.com

*Attorneys for Fidelity Management &
Research Company, Eaton Vance
Management, and Franklin Advisers, Inc., as
members of the Ad Hoc Committee of DWSD
Bondholders*

Dated: May 6, 2014

CERTIFICATE OF SERVICE

I certify that on this 6th day of May 2014, I caused the foregoing document to be served on counsel for Debtor and for all other parties of record through the Court's CM/ECF system.

/s/ William W. Kannel
William W. Kannel